



# **STATE OF INDIANA**

## **Request for Information 11-D**

### **INDIANA DEPARTMENT OF ADMINISTRATION**

#### **On Behalf Of**

#### **INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION, OFFICE OF MEDICAID POLICY AND PLANNING**

#### **Solicitation For:**

### **ICD-10 Assessment and Implementation Services**

**Response Due Date: January 14, 2011**

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402 W. Washington St., Room W461  
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## Table of Contents

1.1	INTRODUCTION .....	4
1.1.1	Business Need.....	5
1.1.2	Agency Overview .....	5
1.1.3	Internal and External Stakeholder Overview.....	6
1.1.4	Family and Social Services Administration Organizational Structure .....	8
1.1.5	Medicaid Information Technology Architecture (MITA) .....	8
1.2	DEFINITIONS AND ABBREVIATIONS.....	9
1.3	SUMMARY SCOPE OF WORK .....	12
1.4	RFI Outline .....	12
1.5	QUESTION/INQUIRY PROCESS .....	12
1.6	DUE DATE FOR PROPOSALS .....	13
1.7	MODIFICATION OR WITHDRAWAL OF OFFERS.....	14
1.8	PRICING.....	14
1.9	PROPOSAL CLARIFICATIONS AND DISCUSSIONS, AND CONTRACT DISCUSSIONS.....	15
1.10	BEST AND FINAL OFFER.....	15
1.11	REFERENCE SITE VISITS.....	15
1.12	TYPE AND TERM OF CONTRACT .....	15
1.13	CONFIDENTIAL INFORMATION .....	16
1.14	TAXES.....	16
1.15	PROCUREMENT DIVISION REGISTRATION.....	16
1.16	SECRETARY OF STATE REGISTRATION.....	16
1.17	COMPLIANCE CERTIFICATION .....	17
1.18	EQUAL OPPORTUNITY COMMITMENT .....	17
1.19	MINORITY & WOMEN'S BUSINESS ENTERPRISES RFI SUBCONTRACTOR COMMITMENT .....	17
1.20	AMERICANS WITH DISABILITIES ACT .....	18
1.21	SUMMARY OF MILESTONES.....	18
1.22	INTENT TO RESPOND FORM .....	<b>Error! Bookmark not defined.</b>
1.23	MINIMUM MANDATORY QUALIFICATION REQUIREMENTS .....	19
1.23.1	ICD-10 Experience .....	19
1.23.2	Key Staff Experience and Knowledge.....	20
1.23.3	Communication and Transparency Skills.....	20
1.23.4	Legal and Regulatory Knowledge and Experience .....	21

1.23.5	Conflict of Interest.....	21
2.1	GENERAL.....	22
2.2	TRANSMITTAL LETTER .....	22
2.2.1	Agreement with Requirements Listed in Section 1 .....	22
2.2.2	Summary of Ability and Desire to Supply the Required Products or Services 22	
2.2.3	Signature of Authorized Representative.....	23
2.2.4	Respondent Notification .....	23
2.2.5	Other Information .....	23
2.3	BUSINESS PROPOSAL .....	23
2.4	TECHNICAL PROPOSAL .....	28
2.5	COST PROPOSAL .....	28
2.6	INDIANA ECONOMIC IMPACT .....	28
2.7	BUY INDIANA INITIATIVE/INDIANA COMPANY .....	28
3.1	PROPOSAL EVALUATION PROCEDURE .....	30
3.2	EVALUATION CRITERIA .....	30

## **SECTION ONE**

### **GENERAL INFORMATION AND REQUESTED PRODUCTS/SERVICES**

#### **1.1 INTRODUCTION**

In accordance with Indiana statute, including IC 5-22-6, the Indiana Department of Administration (IDOA), acting on behalf of the Indiana Family and Social Services Administration (FSSA), and the Office of Medicaid Policy and Planning (OMPP), seeks program management assistance related to the implementation of the diagnosis and procedural coding classification code set known as the International Classification of Diseases, Tenth Revision (ICD-10). The State reserves the right to award a contract from this RFI. The State also reserves the right to award for full implementation work to the winning respondent should the State determine it is in the State's best interest.

The Health Insurance Portability and Accountability Act (HIPAA) requirements to implement ICD-10 no later than October 1, 2013 are found within the Federal regulations as required by Federal Register/Vol. 74, No. 11/Friday, January 16, 2009/Rules and Regulations; 45 CFR Part 162 referring to Health Insurance Reform; Modifications to the Health Insurance Portability and Accountability Act (HIPAA) Electronic Transaction Standards <http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf> and Federal Register/Vol. 74, No. 11/Friday, January 16, 2009/Rules and Regulations; 45 CFR Part 162 HIPAA Administrative Simplification: Modifications to Medical Data Code Set Standards to Adopt ICD-10-CM and ICD-10-PCS, <http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf>. In alignment with and as a result of the Federal regulations, and to further align with the Medicaid Information Technology Architecture (MITA) standards and goals, FSSA is requesting proposals for the following services:

- 1) Perform a baseline assessment of FSSA's Medicaid systems and related interfaces, the affected policies, and operational business procedures for readiness to comply with the HIPAA requirement referenced above.
- 2) Provide FSSA a detailed implementation road map, recommended remediation strategies and risk mitigation strategies related to the HIPAA compliance requirement, system changes needed, policy changes, business procedures and process changes, and other changes recommended for FSSA's review and decision;
- 3) Provide program management, oversight, subject matter expertise, and technical assistance to FSSA in order to manage the implementation of the selected ICD-10 remediation strategies;
- 4) Develop and execute a detailed project work plan with skilled resources;
- 5) Provide acceptance testing services related to the implementation of system changes and oversight of integration test management services;
- 6) Establish a quality management framework and provide FSSA with Independent Verification and Validation (IV&V) services during the life cycle of the project to assure the FSSA of the quality and accuracy of the selected implementation and remediation strategies; and
- 7) Create, update, and maintain Advanced Planning Documents (APDs) in order for

FSSA to secure enhanced federal funding from the Centers for Medicare & Medicaid Services (CMS).

FSSA intends to award to a single vendor, a thirty-six (36) month contract with the option of two (2), one (1) year renewals, beginning on or about March 1, 2011. The State of Indiana reserves the right to adjust the scope of services outlined in this RFI as deemed necessary.

#### **1.1.1 Business Need**

Indiana's FSSA provides medical and social services to over one (1) million members or recipients, who are aged, blind, or disabled, pregnant, under 21 years of age, or members of a family with dependent children. FSSA programs are funded by state and federal funds and pays over \$8 billion dollars annually to more than 26,000 providers. Providing quality and accurate health care services to the Indiana members and providers requires a set of integrated health care systems, providers, and technologies, in addition to administrative, medical and payment policies that utilize diagnosis and procedure codes; in today's environment this code set is known as the International Classification of Disease, 9<sup>th</sup> Revision, or ICD-9.

ICD- 9 diagnosis and procedure codes touch almost every aspect of health care. The limitations inherent to the ICD-9 code set have resulted in the decision for the United States to transition to ICD-10, a code set exponentially larger and more precise than ICD-9. The implementation of the ICD-10 code set will be a complex task that impacts an expansive list of integrated processes, technologies, and data exchanges such as, but not limited to, health care services, systems, claims processing engines, data warehouses, software, medical and payment policies, administrative policy, quality management and reporting, pay-for-performance (P4P), actuarial projections and analysis, rate development, utilization reporting and management, managed care organizations, encounter data, case and disease management, predictive modeling, surveillance and utilization review, registries (e.g., tumor, vaccine, or others), provider contracts, and other areas that utilize the thousands of these codes within health care delivery.

FSSA is currently in the process of procuring a new Medicaid Management Information System (MMIS) system. Since it is anticipated that much of the agency-wide implementation of ICD-10 will involve the present and future MMIS system, it is important to understand that remediation strategies that are created as a result of the ICD-10 implementation process should be designed with the ability to integrate these strategies with the current MMIS or new MMIS.

#### **1.1.2 Agency Overview**

Indiana's FSSA provides medical and social services to over one (1) million members or recipients, who are aged, blind, or disabled, pregnant, under 21 years of age, or members of a family with dependent children. FSSA programs are funded by state and federal funds and pays over \$8 billion dollars annually to more than 26,000 providers.

Medicaid is a medical program authorized under Title XIX of the Social Security Act of 1965 and is funded jointly with Federal and State funds. The Medicaid health care program provides reimbursement to providers for reasonable and medically necessary medical care for specific individuals meeting eligibility requirements. Indiana's FSSA and OMPP are authorized by a Federally-approved waiver of section 1915(b) of the Social Security Act to administer the Medicaid program for the State of Indiana.

The Indiana Medicaid program offers assistance to over one (1) million members or recipients. There are three (3) major components of the Indiana Medicaid program: 1) a traditional Medicaid fee-for-service component, 2) a medical managed care component known as Hoosier Healthwise, and 3) the Healthy Indiana Plan (HIP). There are also five (5) waiver programs operating within the OMPP agency targeted to individuals that require nursing facility and intermediate care facility levels of care.

There are several program options available under Indiana Medicaid. Each program is designed to meet the medical needs of a specific group of people. Each program has different eligibility criteria; this means that a different set of measures are used to determine if a person qualifies for that program.

The fee-for-service component generates approximately 5.4 million claims for payment each year. Payments are made to physicians, hospitals, labs, pharmacies, home health providers, rural health providers, federally qualified health centers (FQHCs), and many other types of providers. Hospital inpatient claims are paid on a schedule based on diagnosis related groups (DRGs). There are established fee schedules for outpatient hospital and provider services. The FSSA also provides reimbursement for services provided by home health care providers, rural health care providers, and FQHCs. Pharmacy services are reimbursed through a point of sale (POS) system.

Additional information on the Indiana Medicaid program can be found at <http://indianamedicaid.com/> and <http://in.gov/fssa>.

### **1.1.3 Internal and External Stakeholder Overview**

The following areas have been identified as key stakeholders for a successful Indiana FSSA implementation of ICD-10. This information is not intended to be all inclusive but is included within this RFI to give prospective Respondents an understanding of the FSSA environment.

It is the intent of the State of Indiana that the selected ICD-10 Vendor shall perform the services of this RFI and resulting contract for all identified internal FSSA stakeholders. Additionally, it is anticipated that Contracted Internal stakeholders may have independent strategies and resources aligned with ICD-10 tasks. For all stakeholders, it will be important for the selected ICD-10 Vendor to provide FSSA with the necessary oversight required to mitigate potential risks that might occur as a result of failure of any stakeholder to be ICD-10 compliant by October 1, 2013. [Note: There are approximately

770 vendors under contract with FSSA. It is anticipated that the selected ICD-10 Vendor will identify each vendor in their Assessment and will define potential ICD-10 impacts related to these vendors, if any.]

Internal FSSA stakeholders include, but are not limited to:

- Office of Medicaid Policy and Planning (OMPP)
- Division of Mental Health and Addiction (DMHA)
- Division of Aging (DA)
- Division of Family Resources (DFR)
- Division of Disability and Rehabilitative Services (DDRS)
- FSSA Administration
- Division of Technology Services (DTS)

Contracted Internal stakeholders/vendors include, but are not limited to:

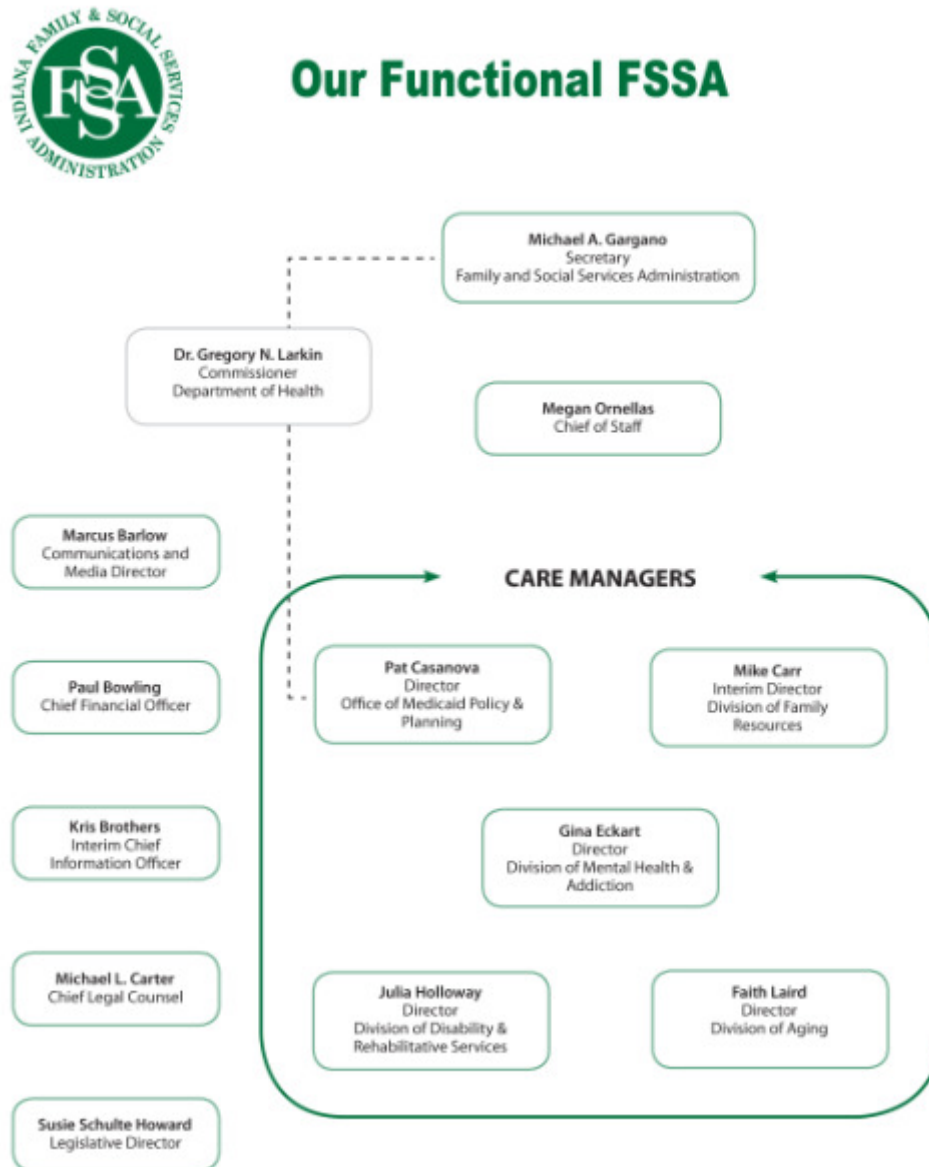
- HP (MMIS vendor)
- ACS (Pharmacy claims processing)
- Milliman (Actuarial services)
- Care Select vendors (Advantage and MDWise)
- Managed Care Organizations (MCO's) (e.g., MHS, MDWise, Anthem)
- Thomson Reuters (Fraud and Abuse Detection System (FADS))
- Myers and Stauffer (Rate Setting and LTC Auditing)
- CSC (First Steps)
- Health Management Systems (HMS) (Pharmacy Audit)
- IPMG (Case Management Services)

External parties with direct impact on FSSA include, but are not limited to:

- Centers for Medicare & Medicaid Services (CMS)
- Indiana State Department of Health
- Indiana Hospital Association (IHA)
- Indiana State Medical Association
- Indiana Health Information Organizations (HIOs)
- Provider Organizations and Associations
- Division of Child Services (DCS)

#### 1.1.4 Family and Social Services Administration Organizational Structure

The FSSA current organizational structure is presented in the chart below:



#### 1.1.5 Medicaid Information Technology Architecture (MITA)

The MITA Initiative is a national framework to support improved systems development and health care management and to establish national guidelines for technologies and processes that can enable improved program administration for Medicaid enterprises.



MITA oversight is managed by the Center for Medicaid & State Operations (CMSO) under CMS.

MITA is both an initiative and a framework. As an initiative MITA is a plan to promote improvements in the Medicaid enterprise and the systems that support it through collaboration between CMS and the States. As a framework, MITA is a blueprint consisting of models, guidelines, and principles to be used by States as they implement enterprise solutions.

The MITA initiative includes an architecture framework, processes, and planning guidelines that allow State Medicaid enterprises to meet their Medicaid objectives within the MITA Framework – yet support unique local needs.

The MITA Framework is a consolidation of principles, business and technical models, and guidelines that creates a template for States to use to develop their individual enterprise architectures. The MITA Framework 2.0 comprises three (3) parts:

- Business Architecture
- Information Architecture
- Technical Architecture

The MITA processes provide guidance to State Medicaid enterprises on how to adopt the MITA Framework through shared leadership, partnering, and reuse of solutions.

The MITA planning guidelines help States define their own strategic MITA goals and objectives and develop tailored enterprise architectures that are consistent with CMS expectations.

The State of Indiana completed their State Self-Assessment (SS-A) under the MITA 2.0 framework in 2008 and performed an update in 2010. Please refer to the Bidder's library for additional information on Indiana's SS-A or [www.cms.gov/MedicaidInfoTechArch](http://www.cms.gov/MedicaidInfoTechArch) for more information on MITA.

## **1.2 DEFINITIONS AND ABBREVIATIONS**

Following are explanations of terms and abbreviations appearing throughout this RFI. Other special terms may be used in the RFI, but they are more localized and defined where they appear.

<b>Term/Acronym/Abbreviation</b>	<b>Definition/Explanation</b>
APD	Advanced Planning Documents
APRA	Access to Public Records Act
CFR	Code of Federal Regulations
CMO	Care Management Organization
CMS	Centers for Medicare & Medicaid Services
CMSO	Center for Medicaid & State Operations (under CMS)
Contractor	The Respondent receiving an award as a result of this

	RFI or an organization with an existing contract with FSSA for services. See also Vendor.
DA	Division of Aging
DCS	Division of Child Services
DDRS	Division of Disability and Rehabilitative Services
DFR	Division of Family Resources
DMHA	Division of Mental Health and Addiction
DRG	Diagnosis Related Groups
DTS	Division of Technology Services
FADS	Fraud and Abuse Detection System
FFS	Fee-for-Service
Fiscal Agent	OMPP Contractor responsible for the Medicaid Management Information System (MMIS) related to the processing and reporting of enrollment, claims, and encounter data. This Contractor is also responsible for auto-assignment of PCPs, enrollment rosters, making capitation payments to MCOs and CMOs, and for reimbursing fee-for-service providers for claims on behalf of OMPP.
FQHC	Federally Qualified Health Centers
FSSA	Indiana Family and Social Services Administration
FTE	Full-Time Equivalent. The State of Indiana defines an FTE as a measurement of an employee's full-time productivity on a specific project or contract. An example is one (1) FTE can be: one (1) person fully engaged of his/her working time on the project on a full-time basis, OR two (2) people working 50% of his/her working time on the project
HIO	Health Information Organizations
HIP	Healthy Indiana Plan
HIPAA	Health Insurance Portability and Accountability Act
IAC	Indiana Administrative Code
IC	Indiana Code
ICD-9	International Classification of Diseases, Ninth Revision
ICD-10	International Classification of Diseases, Tenth Revision
IDOA	Indiana Department of Administration
IHA	Indiana Hospital Association
IHCP	Indiana Health Coverage Programs
Implementation	The successful implementation of ICD-10 specified in the Scope of Work and contract resulting from this RFI
IndianaAIM	The name of Indiana's state medical assistance and payment information system; acronym stands for Indiana Advanced Information Management System
Installation	The delivery and physical setup of products or services requested in this RFI

IV&V	Independent Verification and Validation
LTC	Long-Term Care
MCO	Managed Care Organization
MBE	Minority Business Enterprises
MITA	Medicaid Information Technology Architecture
MMIS	Medicaid Management Information System
MWBED	Minority and Women's Business Enterprises Division
OMPP	Office of Medicaid Policy and Planning
Other Governmental Body	An agency, a board, a branch, a bureau, a commission, a council, a department, an institution, an office, or another establishment of any of the following: (1) The judicial branch (2) The legislative branch (3) A political subdivision (includes towns, cities, local governments, etc.) (4) A state educational institution (including charter schools)
POS	Point-of-Sale System for Pharmacy Services
Products	Tangible goods or manufactured items as specified in this RFI
Proposal	An offer as defined in IC 5-22-2-17
Respondent	An offeror as defined in IC 5-22-2-18. The State will not consider a proposal responsive if two (2) or more offerors submit a joint or combined proposal. One (1) entity or individual must be clearly identified as the Respondent who will be ultimately responsible for performance of the contract.
RFI	Request for Information
Services	Work to be performed as specified in this RFI
SOW	Scope of Work
SS-A	State Self-Assessment for MITA
State	The State of Indiana
State Agency	As defined in IC 4-13-1, "state agency" means an authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative, department of state government
Subcontractor	Any person having a contract to perform work or render service to the Contractor as a part of the Contractor's agreement arising from this RFI
Vendor	Any successful Respondent selected as a result of the procurement process to deliver the products or services requested in this RFI. See also Contractor.
WBE	Women Business Enterprises
Work	All labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's

	obligations under the Contract.
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### 1.3 SUMMARY SCOPE OF WORK

See Attachment D-Scope of Work for details.

### 1.4 RFI OUTLINE

The outline of this RFI document is described below:

Section	Description
Section 1 – General Information and Requested Products or Services	This section provides an overview of the RFI, general timelines for the process, and a summary of the products/services being solicited by the State/Agency via this RFI
Section 2 – Proposal Preparation Instruction	This section provides instructions on the format and content of the RFI including a Letter of Transmittal, Business Proposal, Technical Proposal, and a Cost Proposal
Section 3 – Proposal Evaluation Criteria	This section discusses the evaluation criteria to be used to evaluate respondents' proposals
Attachment A	M/WBE Participation Plan Form
Attachment B	Sample Contract
Attachment C	Indiana Economic Impact Form
Attachment D	Scope of Work
Attachment E	Cost Proposal
Attachment F	Question/Inquiry Submission Template

### 1.5 QUESTION/INQUIRY PROCESS

All questions/inquiries regarding this RFI must be submitted in writing by the deadline of **3:00 p.m. Eastern Time on Friday, December 27, 2010**. Questions/Inquiries may be submitted by email to [rfp@idoa.IN.gov](mailto:rfp@idoa.IN.gov) and must be received by Procurement Division by the time and date indicated above. Questions/inquiries should be submitted using the Question/Inquiry Submission Template (Attachment F).

Following the question/inquiry due date, Procurement Division personnel will compile a list of the questions/inquiries submitted by all Respondents. The responses will be posted to the IDOA website according to the RFI timetable established in Section 1.21. The question/inquiry and answer link will become active after responses to all questions have been compiled. Only answers posted on the IDOA website will be considered official and valid by the State. No Respondent shall rely upon, take any action, or make any decision based upon any verbal communication with any State employee.

Inquiries are not to be directed to any staff member of FSSA. Such action may disqualify

Respondent from further consideration for a contract resulting from this RFI.

If it becomes necessary to revise any part of this RFI, or if additional information is necessary for a clearer interpretation of provisions of this RFI prior to the due date for proposals, an addendum will be posted on the IDOA website. If such addenda issuance is necessary, the Procurement Division may extend the due date and time of proposals to accommodate such additional information requirements, if required.

## **1.6 DUE DATE FOR PROPOSALS**

All proposals must be received at the address below by the Procurement Division no later than **3:00 p.m. Eastern Time on Friday, January 14, 2011**. Each Respondent must submit **one (1) original hard-copy (marked "Original") and one (1) original CD-ROM (marked "Original") and six (6) hardcopies (marked "Copy") and two (2) complete copies on CD-ROM** of the proposal, including the Transmittal Letter and other related documentation as required in this RFI. Ensure that the organization of electronic files all submitted discs are logical, and all files can easily be matched to their corresponding RFI sections. The **original** CD-ROM will be considered the official response in evaluating responses for scoring and protest resolution. **The respondent's proposal response on this CD may be posted on the IDOA website, (<http://www.in.gov/idoa/2462.htm>) if recommended for selection.** Each copy of the proposal must follow the format indicated in Section Two of this document. Unnecessarily elaborate brochures or other presentations, beyond those necessary to present a complete and effective proposal, are not desired. Proposals should be limited to **no more than 100 pages**. Additional information may be included as appendices or attachments and may or not be evaluated for scoring purposes. All proposals must be addressed to:

James Osborne  
Indiana Department of Administration  
Procurement Division  
402 West Washington Street, Room W478  
Indianapolis, IN 46204

### **If you hand-deliver solicitation responses:**

To facilitate weapons restrictions at Indiana Government Center North and Indiana Government Center South, as of **July 21, 2008**, the public must enter IGC buildings through a designated public entrance. The public entrance to Indiana Government Center South is located at 302 W. Washington St. (the eastern-most Washington St. entrance). This entrance will be equipped with metal detectors and screening devices monitored by Indiana State Police Capitol Police.

Passing through the public entrance may take some time. Please be sure to take this information into consideration if your company plans to submit a solicitation response in

person.

**If you ship or mail solicitation responses:** United States Postal Express and Certified Mail are both delivered to the Government Center Central Mailroom, and not directly to the Procurement Division. It is the responsibility of the Respondent to make sure that solicitation responses are received by the Procurement Division at the Department of Administration's reception desk on or before the designated time and date. Late submissions will not be accepted. The Department of Administration, Procurement Division clock is the official time for all solicitation submissions.

All proposal packages must be clearly marked with the RFI number, due date, and time due. Any proposal received by the Department of Administration, Procurement Division after the due date and time will not be considered. Any late proposals will be returned, unopened, to the Respondent upon request. All rejected proposals not claimed within 30 days of the proposal due date will be destroyed.

No more than one proposal per Respondent may be submitted.

The State accepts no obligations for costs incurred by Respondents in anticipation of being awarded a contract.

**All proposals submitted to the State should be double-sided and printed on 30% post-consumer recycled content paper or tree-free paper. When possible, soy ink should be used.**

## **1.7 MODIFICATION OR WITHDRAWAL OF OFFERS**

Modifications to responses to this RFI may only be made in the manner and format described in Section 1.6 and clearly identified as a modification.

The Respondent's authorized representative may withdraw the proposal, in person, prior to the due date. Proper documentation and identification will be required before the Procurement Division will release the withdrawn proposal. The authorized representative will be required to sign a receipt for the withdrawn proposal.

Modification to, or withdrawal of, a proposal received by the Procurement Division after the exact hour and date specified for receipt of proposals will not be considered.

## **1.8 PRICING**

Pricing on this RFI must be firm and remain open for a period of not less than 180 days from the proposal due date.

Please refer to the Cost Proposal sub-section under Section 2 for a detailed discussion of the proposal pricing format and requirements.

## **1.9 PROPOSAL CLARIFICATIONS AND DISCUSSIONS, AND CONTRACT DISCUSSIONS**

The State reserves the right to request clarifications on proposals submitted to the State. The State also reserves the right to conduct proposal discussions, either oral or written, with Respondents. These discussions could include request for additional information, request for cost or technical proposal revision, etc. Additionally, in conducting discussions, the State may use information derived from proposals submitted by competing respondents only if the identity of the respondent providing the information is not disclosed to others. The State will provide equivalent information to all respondents which have been chosen for discussions. Discussions, along with negotiations with responsible respondents may be conducted for any appropriate purpose.

The Procurement Division will schedule all discussions. Any information gathered through oral discussions must be confirmed in writing.

A sample contract is provided in Attachment B. Any requested changes to the sample contract must be submitted with your response (See Section 2.3.5 for details). The State reserves the right to reject any of these requested changes. It is the State's expectation that any material elements of the contract will be substantially finalized prior to contract award.

## **1.10 BEST AND FINAL OFFER**

The State may request best and final offers (BAFO) from those Respondents determined by the State to be reasonably viable for contract award. However, the State reserves the right to award a contract on the basis of initial proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

Following evaluation of the best and final offers, the State may select for final contract negotiations/execution the offers that are most advantageous to the State, considering cost and the evaluation criteria in this RFI.

## **1.11 REFERENCE SITE VISITS**

The State may request a site visit to a Respondent's working support center to aid in the evaluation of the Respondent's proposal. Site visits, if required, will be discussed in the technical proposal.

## **1.12 TYPE AND TERM OF CONTRACT**

The State intends to sign a contract with one Respondent to fulfill the requirements in this RFI.

The term of the contract shall be for a period of thirty-six (36) months with the option of two (2), one (1) year renewals.

### **1.13 CONFIDENTIAL INFORMATION**

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 *et seq.*, and, after the contract award, the entire RFI file may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the APRA must place all confidential documents (including the requisite number of copies) in a sealed envelope clearly marked “Confidential” and must indicate in the Transmittal Letter and on the outside of that envelope that confidential materials are included. The Respondent must also specify which statutory exception of APRA that applies. The State reserves the right to make determinations of confidentiality. If the Respondent does not identify the statutory exception, the Procurement Division will not consider the submission confidential. If the State does not agree that the information designated is confidential under one of the disclosure exceptions to APRA, it may seek the opinion of the Public Access Counselor. Prices are not confidential information.

### **1.14 TAXES**

Proposals should not include any tax from which the State is exempt.

### **1.15 PROCUREMENT DIVISION REGISTRATION**

In order to receive an award, you must be registered as a bidder with the Department of Administration, Procurement Division. Therefore, to ensure there is no delay in the award all Respondents are strongly encouraged to register prior to submission of their response. Respondents should go to [www.in.gov/idoa/2464.htm](http://www.in.gov/idoa/2464.htm), then click on “Procurement” then “Bidding on State Contracts” then “Bidder Registration” to register.

### **1.16 SECRETARY OF STATE REGISTRATION**

If awarded the contract, the Respondent will be required to register, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. Information concerning registration with the Secretary of State may be obtained by contacting:

Secretary of State of Indiana  
Corporation Division  
402 West Washington Street, E018  
Indianapolis, IN 46204  
(317) 232-6576  
[www.in.gov/sos](http://www.in.gov/sos)



### **1.17 COMPLIANCE CERTIFICATION**

Responses to this RFI serve as a representation that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State, and it agrees that it will immediately notify the State of any such actions. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Respondent agrees that the State may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that State may bar the Respondent from contracting with the State, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the State.

### **1.18 EQUAL OPPORTUNITY COMMITMENT**

Pursuant to IC 4-13-16.5 and in accordance with 25 IAC 5, it has been determined that there is a reasonable expectation of minority and woman business enterprises subcontracting opportunities on a contract awarded under this RFI. Therefore a contract goal of 8 % for Minority Business Enterprises and 8 % for Woman Business Enterprises have been established and all respondents will be expected to comply with the regulation set forth in 25 IAC 5.

Failure to meet these requirements will affect the evaluation of your proposal.

### **1.19 MINORITY & WOMEN'S BUSINESS ENTERPRISES RFI SUBCONTRACTOR COMMITMENT**

In accordance with 25 IAC 5-5, the respondent is expected to submit with its proposal a MWBE Subcontractor Commitment Form. The Form must show that there are, participating in the proposed contract, Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) listed in the Minority and Women's Business Enterprises Division (MWBED) directory of certified firms located at <http://www.in.gov/idoa/2352.htm>. If participation is met through use of vendors who supply products and/or services directly to the Respondent, the Respondent must provide a description of products and/or services provided that are directly related to this proposal and the cost of direct supplies for this proposal. Respondents must complete the Subcontractor Commitment Form in its entirety.

Failure to meet these goals will affect the evaluation of your Proposal. The Department reserves the right to verify all information included on the MWBE Subcontractor Commitment Form.

Respondents are encouraged to contact and work with MWBED at 317-232-3061 to design a subcontractor commitment to meet established goals as referenced in this solicitation.

**Prime Contractors must ensure that the proposed subcontractors meet the following criteria:**

- Must be listed on the IDOA Directory of Certified Firms
- Each firm may only serve as once classification – MBE or WBE
- A Prime Contractor who is an MBE or WBE must meet subcontractor goals by using other listed certified firms. Certified Prime Contractors cannot count their own workforce or companies to meet this requirement.
- Must serve a commercially useful function. The firm must serve a value-added purpose on the engagement.
- Must provide goods or service only in the industry area for which it is certified as listed in the directory at <http://www.in.gov/idoa/2352.htm>
- Must be used to provide the goods or services specific to the contract
- National Corporate Diversity Plans are generally not acceptable

**Minority & Women's Business Enterprises RFI Subcontractor Letter of Commitment**

A signed letter(s), on company letterhead, from the MBE and/or WBE must accompany the MWBE Subcontractor Commitment Form. Each letter shall state and will serve as acknowledgement from the MBE and/or WBE of its subcontract amount, a description of products and/or services to be provided on this project and approximate date the subcontractor will perform work on this contract. The State will deny evaluation points if the letter(s) is not attached, not on company letterhead, not signed and/or does not reference and match the subcontract amount and the anticipated period that the Subcontractor will perform work for this solicitation.

By submission of the Proposal, the Respondent acknowledges and agrees to be bound by the regulatory processes involving the State's MWBE Program. Questions involving the regulations governing the MWBE Subcontractor Commitment Form should be directed to: Minority and Women's Business Enterprises Division at (317) 232-3061 or [mwbe@idoa.in.gov](mailto:mwbe@idoa.in.gov).

**1.20 AMERICANS WITH DISABILITIES ACT**

The Respondent specifically agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.* and 47 U.S.C. 225).

**1.21 SUMMARY OF MILESTONES**

The following timeline is only an illustration of the RFI process. The dates associated with each step are not to be considered binding. Due to the unpredictable nature of the evaluation period, these dates are commonly subject to change. At the conclusion of the evaluation process, all Respondents will be informed of the evaluation team's findings.

**Key RFI Dates:**

Activity	Date
Issue of RFI	Friday, December 17, 2010
Deadline to Submit Written Questions	Friday, December 27, 2010
Response to Written Questions/RFI Amendments	Friday, January 7, 2011
Submission of Proposals Due to IN FSSA	Friday, January 14, 2011
<i>The dates for the following activities are target dates only. These activities may be completed earlier or later than the date shown.</i>	
Proposal Evaluation	Week of January 17, 2011
Proposal Discussions/Clarifications (if necessary)	Week of January 17, 2011
Oral Presentations (if necessary)	Week of January 17, 2011
Best and Final Offers (if necessary)	Week of January 17, 2011
Contract Award	Week of January 24, 2011

## **1.22 MINIMUM MANDATORY QUALIFICATION REQUIREMENTS**

Prior to evaluating written proposals, FSSA will determine, at its sole discretion, whether Respondent meets all of the Minimum Mandatory Qualification Requirements, and at its sole discretion, may disqualify any Respondent who does not meet (in FSSA's opinion) the Minimum Qualifications. This section of the Respondent's proposal may be the only section reviewed by FSSA in determining whether the Respondent meets Minimum Mandatory Qualifications and the remainder of the RFI response will or will not be scored by FSSA, pending that determination.

The Respondent must meet the following Minimum Mandatory Qualification Requirements. Respondent's proposal must explicitly affirm the ability to meet each individual requirement and demonstrate to FSSA's satisfaction how the requirement is met. The response to this Section shall be separate from the response to Attachment D, Scope of Work.

### **1.22.1 ICD-10 Experience**

The Respondent must have the capacity, requisite experience, and expertise to provide comprehensive ICD-10 services for FSSA, in accordance with the provisions and requirements set forth. All Respondents must exhibit this experience and expertise for which they are bidding.

- Respondent must have served as the prime contractor for a Medicaid health plan ICD-10 baseline assessment.

- Describe the Respondent's experience, if any, in the Remediation or Implementation of ICD-10 strategies.
- Clearly describe the Respondent's role in each engagement described above and state Respondent's level of responsibility (e.g., primary, subcontractor) for all phases of the project including, but not limited to: requirements analysis, process design, construction, testing, final implementation, and other services.
- Clearly describe the scope and scale of those projects, including the Respondent's performance in terms of schedule and budget. Explain positive and negative variances from the schedule and budget. Provide contact information in order to verify engagement scope and to render accurate feedback.
- Agree that FSSA reserves the right to contact all above client contacts and any other contacts provided by current or former clients and that this contact may be considered by FSSA in scoring the Respondent.
- State how many years experience Respondent has managing and staffing projects with complexity and scope comparable to that required by this RFI.

#### **1.22.2 Key Staff Experience and Knowledge**

The Respondent's proposed project team for Indiana must have experienced staff that has provided services and subject matter expertise including, but not limited to: program management, policy analysis, systems analysis, ICD-10 education, assessment, remediation and implementation, creating, updating, and maintaining APD documents, IV&V services, and complex, integrated testing of large scale claims systems. Respondent's proposal must demonstrate and describe to FSSA's satisfaction, the Respondent's experience in each of the areas listed above.

The Respondent's proposed Key Staff must be experienced providing ICD-10 related services. Respondent's proposal must demonstrate and describe to the FSSA's satisfaction that Respondent's proposed Key Staff have experience in ICD-10 project management, assessment and implementation strategies. Identify the staff person(s), their role(s) in achieving ICD-10 compliance, and the State(s) where the ICD-10 assistance is currently being provided.

Respondent shall commit to using the personnel identified in the proposal and agree that the FSSA reserves the right to require a change in successful Contractor's project personnel at the sole discretion of the FSSA. Further, Respondent shall agree that the FSSA will be given an opportunity to interview and approve potential replacements for those individuals that terminate from this project.

#### **1.22.3 Communication and Transparency Skills**

The Respondent must provide a well thought out communication plan that effectively reflects respondent's ability to work closely with FSSA, OMPP staff, additional state agencies, contracted vendors, providers, and other business partners. Provide examples of communication methodology and work products for external (non-state) entities, including providers, members, vendors and other parties.

#### **1.22.4 Legal and Regulatory Knowledge and Experience**

The Respondent's proposal must demonstrate knowledge of all regulatory authority including the Code of Federal Regulations (CFR), and be able to incorporate the Indiana Code (IC), the Indiana Administrative Code (IAC), the State Plan, and the State Medicaid Manual into the proposed solution.

#### **1.22.5 Conflict of Interest**

If a Respondent has a conflict of interest, the Respondent is prohibited from responding to this RFI. For example, the Respondent cannot perform Independent Verification and Validation services (IV&V) of system changes in which the Respondent has a direct or indirect financial interest in the administration of that system.

## **SECTION TWO**

### **PROPOSAL PREPARATION INSTRUCTIONS**

#### **2.1 GENERAL**

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is described in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below:

- Each item must be addressed in the Respondent's proposal.
- The Transmittal Letter must be in the form of a letter. The business and technical proposals must be organized under the specific section titles as listed below

#### **2.2 TRANSMITTAL LETTER**

The Transmittal Letter must address the following topics except those specifically identified as "optional."

##### **2.2.1 Agreement with Requirements Listed in Section 1**

The Respondent must explicitly acknowledge understanding of the general information presented in Section 1 and agreement with any requirements/conditions listed in Section 1.

##### **2.2.2 Summary of Ability and Desire to Supply the Required Products or Services**

The Transmittal Letter must briefly summarize the Respondent's ability to supply the requested services that meet the requirements defined in Section Two of this RFI. The letter must also contain a statement indicating the Respondent's willingness to provide the requested products and/or services subject to the terms and conditions set forth in the RFI including, but not limited to, the State's mandatory contract clauses.

Respondents should also utilize this section of the Transmittal Letter to briefly identify any specific RFI requirements that may be significantly increasing the cost and/or complexity of the proposed solution.

### 2.2.3 Signature of Authorized Representative

A person authorized to commit the Respondent to its representations and who can certify that the information offered in the proposal meets all general conditions including the information requested in Section 2.3.4, must sign the Transmittal Letter. **In the Transmittal Letter, please indicate the principal contact for the proposal along with an address, telephone and fax number as well as an e-mail address, if that contact is different than the individual authorized for signature.**

### 2.2.4 Respondent Notification

Unless otherwise indicated in the Transmittal Letter, Respondents will be notified via e-mail.

It is the Respondent's obligation to notify the Procurement Division of any changes in any address that may have occurred since the origination of this solicitation. The Procurement Division will not be held responsible for incorrect Vendor/Contractor addresses.

### 2.2.5 Other Information

This item is optional. Any other information the Respondent may wish to briefly summarize will be acceptable.

## 2.3 BUSINESS PROPOSAL

The Business Proposal must address the following topics except those specifically identified as "optional" and should be completed using the Business Proposal Response Template (Attachment H).

### 2.3.1 General (optional)

This section of the business proposal may be used to introduce or summarize any information the Respondent deems relevant or important to the State's successful acquisition of the products and/or services requested in this RFI.

### 2.3.2 Respondent's Company Structure

The legal form of the Respondent's business organization, the state in which formed (accompanied by a certificate of authority), the types of business ventures in which the organization is involved, and a chart of the

organization are to be included in this section. If the organization includes more than one product division, the division responsible for the development and marketing of the requested products and/or services in the United States must be described in more detail than other components of the organization.

#### 2.3.3 Company Financial Information

This section must include the Respondent's financial statement, including an income statement and balance sheet, for each of the two most recently completed fiscal years. The financial statements must demonstrate the Respondent's financial stability. If the financial statements being provided by the Respondent are those of a parent or holding company, additional financial information should be provided for the entity/organization directly responding to this RFI.

#### 2.3.4 Integrity of Company Structure and Financial Reporting

This section must include a statement indicating that the CEO and/or CFO has taken personal responsibility for the thoroughness and correctness of any/all financial information supplied with this proposal. The particular areas of interest to the State in considering corporate responsibility include the following items: separation of audit functions from corporate boards and board members, if any, the manner in which the organization assures board integrity, and the separation of audit functions and consulting services. The State will consider the information offered in this section to determine the responsibility of the Respondent under IC 5-22-16-1(d).

The Sarbanes Oxley Act of 2002, H.R. 3763, is NOT directly applicable to this procurement; however, its goals and objectives may be used as a guide in the determination of corporate responsibility for financial reports.

#### 2.3.5 Contract Terms/Clauses

A sample contract that the state expects to execute with the successful Respondent(s) is provided in Attachment B. All clauses in this contract are mandatory and non-negotiable. It is the State's expectation that the final contract will be substantially similar to the sample contract provided in Attachment B.

In your Transmittal Letter please indicate acceptance of all contract terms (see section 2.2.2). Respondents should review these clauses in detail, because a specific agreement to these clauses is required in the Transmittal Letter. **Failure to include a clear, specific, unequivocal agreement to all clauses may result in disqualification of the proposal from further evaluation.**



If you are requesting additional contract terms that are consistent with the sample contract in Attachment B, please include them in this section. To reiterate, it is the State's strong desire to not deviate from the contract provided in the attachment. The State reserves the right to reject any and all of these requested additional terms.

Any or all portions of this RFI and any or all portions of the Respondents response may be incorporated as part of the final contract.

### 2.3.6 References

The Respondent must include a list of clients for whom the Respondent has provided products and/or services that are the same or similar to those products and/or services requested in this RFI. Information provided should include the name, address, and telephone number of the client facility and the name, title, and phone/fax numbers of a person who may be contacted for further information. The State reserves the right to use its own past experience with the Respondent when scoring references.

Scores for this section will be based on Respondent references. The FSSA reserves the right to conduct checks of Respondent references, by telephone or other means, and evaluate the Respondent based on these references. The FSSA considers references to be extremely important. It is the Respondent's responsibility to ensure that every reference contact is available during the evaluation period.

The Respondent's proposal must:

- Include a minimum of three (3) Respondent customer references. All of these references must be from ICD-10 or comparable projects. For every reference, the Respondent's proposal must provide the company name, contact name, contact job title, address, telephone number and e-mail for that reference.
- Agree that references must be independent of the Respondent's company/corporation (e.g. non-Respondent owned, in whole or in part, or managed, in whole or in part), and include a statement that each reference meets this requirement.
- Agree that the FSSA reserves the right to contact all above customer references, and that this contact will be considered by the FSSA in scoring the Respondent.
- Agree that the FSSA reserves the right to contact any other entity or person it wants to contact with regard to the Respondent, including parties in addition to those recommended by the Respondent. Further, agree that this contact may be used by the FSSA in scoring the Respondent.

- State that the Respondent has notified each client reference that they may be contacted by the FSSA and has assured that each reference will be available during the evaluation period. (See Section 1.21, Summary of Milestones for the approximate RFI evaluation period.)

Provide similar and separate information for the Respondent and every proposed subcontractor in response to this section's requirements.

### 2.3.7 Registration to do Business

#### Secretary of State

If awarded the contract, the Respondent will be required to be registered, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations, and limited liability companies. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

#### Department of Administration, Procurement Division

Additionally, respondents must be registered with the IDOA. This can be accomplished on-line at [www.in.gov/idoa/2464.htm](http://www.in.gov/idoa/2464.htm).

The IDOA Procurement Division maintains two databases of vendor information. The Bidder registration database is set up for vendors to register if they are interested in selling a product or service to the State of Indiana. Respondents may register on-line at no cost to become a Bidder with the State of Indiana. To complete the on-line Bidder registration, go to [www.in.gov/idoa/2464.htm](http://www.in.gov/idoa/2464.htm). The Bidder registration offers email notification of upcoming solicitation opportunities, corresponding to the Bidder's area(s) of interest, selected during the registration process. Respondents do need to be registered to bid on and receive email notifications. Completion of the Bidder registration will result in your name being added to the Bidder's Database, for email notification. The Bidder registration requires some general business information, an indication of the types of goods and services you can offer the State of Indiana, and locations(s) within the state that you can supply or service. There is no fee to be placed in Procurement Division's Bidder Database. To receive an award, you must be registered as a bidder.

Problems or questions concerning the registration process or the registration form can be e-mailed to Amey Redding, Vendor Registration Coordinator, at [aredding@idoa.in.gov](mailto:aredding@idoa.in.gov), or you may reach her by phone at (317) 234-3542.

### 2.3.8 Authorizing Document

Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section shall contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

### 2.3.9 Subcontractors

The Respondent is responsible for the performance of any obligations that may result from this RFI and shall not be relieved by the non-performance of any subcontractor. Any Respondent's proposal must identify all subcontractors and describe the contractual relationship between the Respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal.

Any subcontracts entered into by the Respondent must be in compliance with all State statutes and will be subject to the provisions thereof. For each portion of the proposed products or services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the Respondent and any or all subcontractors will be considered in the State's evaluation. The Respondent must furnish information to the State as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by the State. All subcontracts held by the Respondent must be made available upon request for inspection and examination by appropriate State officials, and such relationships must meet with the approval of the State.

The Respondent must list names, addresses and the states in which formed for any subcontractors that are proposed to be used in providing the required products or services. The subcontractor's responsibilities under the proposal, anticipated dollar amount for subcontract, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any responsibilities in responding to this RFI or in completing the commitments documented in the proposal. The Respondent must indicate which, if any, subcontractors qualify as a Minority or Women Owned Business under IC 4-13-16.5-1. See Section 1.19 and Attachment A for Minority and Women Business information.

## **2.4 TECHNICAL PROPOSAL**

Respondents should refer to the Scope of Work (Attachment D) to prepare their Technical Proposal. Every point made in each section of Attachment D, the Scope of Work, should be addressed in the order given. The same outline numbers should be used in the response. RFI language should not be repeated within the response. Where appropriate, supporting documentation may be referenced by a page and paragraph number. However, when this is done, the body of the technical proposal must contain a meaningful summary of the referenced material. The referenced document must be included as an appendix to the technical proposal with referenced sections clearly marked. If there are multiple references or multiple documents, these must be listed and organized for ease of use by the State.

## **2.5 COST PROPOSAL**

Respondents must provide their Cost Proposals by completing the Cost Proposal Response Template (Attachment E) in its entirety. Please refer to the instructions tab of Attachment E for detailed instructions.

## **2.6 INDIANA ECONOMIC IMPACT**

All companies desiring to do business with state agencies must complete an “Indiana Economic Impact” form (Attachment C). The collection and recognition of the information collected with the Indiana Economic Impact form places a strong emphasis on the economic impact a project will have on Indiana and its residents regardless of where a business is located. The collection of this information does not restrict any company or firm from doing business with the State.

## **2.7 BUY INDIANA INITIATIVE/INDIANA COMPANY**

It is the Respondent’s responsibility to confirm its Buy Indiana status for this portion of the process. If a Respondent has previously registered its business with IDOA, go to [www.in.gov/idoa/2467.htm](http://www.in.gov/idoa/2467.htm) and click on the link to update this registration. Click the tab titled Buy Indiana. Select the appropriate category for your business. Respondents may only select one category. Certify this selection by clicking the check box next to the certification paragraph. Once this is complete, save your selection and exit your account. If a Respondent is claiming Buy Indiana status, it must specify this within its Transmittal Letter and submit supporting documentation with its proposal.

Respondents that have not previously registered with IDOA must go to [www.in.gov/idoa/2467.htm](http://www.in.gov/idoa/2467.htm) and click on the link to register. During the registration

process, follow the steps outlined in the paragraph above to certify your business' status. The registration process should be complete at the time of proposal submission.

**Defining an Indiana Business:**

“Indiana business” refers to any of the following:

- (1) A business whose principal place of business is located in Indiana.
- (2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
- (3) A business that employs Indiana residents as a majority of its employees.

Respondents claiming this status must indicate which of the provisions above qualifies them as an Indiana business. They must also fully complete the Indiana Economic Impact Form (Attachment C) and include it with their response.

The following is the policy concerning items 4 & 5 described below. Appropriate documentation must be provided with your proposal response supporting either claim made below:

- (4) A business that makes significant capital investments in Indiana.
- (5) A business that has a substantial positive economic impact on Indiana.

**Substantial Capital Investment:**

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category #4. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

**Substantial Indiana Economic Impact:**

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (DWD), unemployment taxes (DWD), payroll withholding taxes (DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under category #5. If a Respondent needs assistance in determining if its business qualifies under this criterion, please send an email inquiry to [buyindianainvest@idoa.in.gov](mailto:buyindianainvest@idoa.in.gov) and you will receive a response within forty-eight (48) hours. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

## **SECTION THREE PROPOSAL EVALUATION**

### **3.1 PROPOSAL EVALUATION PROCEDURE**

The State has selected a group of personnel to act as a proposal evaluation team. Subgroups of this team, consisting of one or more team members, will be responsible for evaluating proposals with regard to compliance with RFI requirements. All evaluation personnel will use the evaluation criteria stated in Section 3.2. The Secretary of FSSA or his designee will, in the exercise of his sole discretion, determine which proposals offer the best means of servicing the interests of the State. The exercise of this discretion will be final.

The procedure for evaluating the proposals against the evaluation criteria will be as follows:

- 3.1.1 Each proposal will be evaluated for adherence to requirements on a Pass/Fail basis. Proposals that are incomplete or otherwise do not conform to proposal submission requirements may be eliminated from consideration.
- 3.1.2 Each proposal will be evaluated on the basis of the categories included in Section 3.2. A point score has been established for each category.
- 3.1.3 If technical proposals are close to equal, greater weight may be given to price.
- 3.1.4 Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous to the State, taking into account all of the evaluation factors, may be selected by IDOA and the FSSA for further action, such as contract negotiations. If, however, IDOA and the FSSA decide that no proposal is sufficiently advantageous to the State, the State may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, IDOA may begin contract preparation with the next qualified Respondent or determine that no such alternate proposal exists.

### **3.2 EVALUATION CRITERIA**

Proposals will be evaluated based upon the proven ability of the Respondent to satisfy the requirements of the RFI in a cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The points associated with each category are indicated following the category name (total maximum points = 100). If any one or more of the listed criteria on which

the responses to this RFI will be evaluated are found to be inconsistent or incompatible with applicable federal laws, regulations or policies, the specific criterion or criteria will be disregarded and the responses will be evaluated and scored without taking into account such criterion or criteria.

***Summary of Evaluation Criteria:***

<b>Criteria</b>	<b>Points</b>
1. Adherence to Mandatory Requirements	<b>Pass/Fail</b>
2. Management Assessment/Quality (Business and Technical Proposal)	<b>35 points</b>
3. Cost (Cost Proposal)	<b>20 points</b>
4. Indiana Economic Impact	<b>15 points</b>
5. Buy Indiana	<b>10 points</b>
6. Minority (10) and Women Business (10) Subcontractor Commitment	<b>20 points</b>
<b>Total</b>	<b>100 points</b>

All proposals will be evaluated using the following approach.

**Step 1**

In this step proposals will be evaluated only against Criteria 1 to ensure that they adhere to Mandatory Requirements. Any proposals not meeting the Mandatory Requirements will be disqualified.

**Step 2**

The proposals that meet the Mandatory Requirements will then be scored based on Criteria 2 ONLY. This scoring will have a maximum possible score of 35 points. All proposals will be ranked on the basis of the score for Criteria 2 ONLY. This ranking will be used to create a “short list”. Any proposal not making the “short list” will not be considered for any further evaluation.

**Step 3**

Those proposals that meet the “short list” requirement from Step 2 will then be scored based upon Criteria 2 and 3 ONLY. The scoring will have a maximum possible score of 55 points. This ranking will be used to create a refined “short list”. The proposals may include one or more proposal discussions focused on cost and other proposal elements further defining the “short list”. Any proposal not making the “short list” will not be considered for any further evaluation.

#### Step 4

The short-listed proposals will then be evaluated based on all the entire evaluation criteria outlined in the table above.

If the State conducts additional rounds of discussions and a Best and Final Offer (BAFO) round which lead to changes in either the technical or cost proposal for the short listed Respondents, their scores will be recomputed.

The section below describes the different evaluation criteria.

3.2.1 Adherence to Requirements – **Pass/Fail**

Respondents passing this category move to Phase 2 and proposal is evaluated for Management Assessment/Quality and Price.

3.2.2 Management Assessment/Quality – **35** points

3.2.3 Cost – **20** points

3.2.4 Indiana Economic Impact – **15** points

See Section 2.6 for additional information.

The total number of full time equivalent (FTE – please see Section 1.2 for a definition of FTE's) Indiana resident employees for the Respondent's proposal (Prime Contractor and subcontractors) will be used to evaluate the Respondent's Indiana Economic Impact. Points will be awarded based on a graduated scale. The Respondent with the most Indiana FTEs will be awarded 15 points. Points will then be awarded to the remaining Respondents proportionately.

3.2.5 Buy Indiana Initiative – **10** points

Respondents qualifying as an Indiana Company as defined in Section 2.7 will receive 10 points in this category.

3.2.6 Minority (**10** points) & Women's Business (**10** points) Subcontractor Commitment - (**20** points).

The following formula will be used to determine points to be awarded:

The commitment factor for each proposal will be calculated by multiplying the commitment percentage by one hundred. The RFI score ratio will be determined by dividing the maximum allowable points by the highest commitment factor. The proposal with the highest



commitment factor will be given the maximum allowable points. The points awarded to the other proposals will be calculated by multiplying the score ratio by the proposed commitment factor.

$\text{Commitment percentage} * 100 = \text{commitment factor}$

$\text{Maximum allowable points/highest commitment factor} = \text{score ratio}$

$\text{Commitment factor} * \text{score ratio} = \text{points awarded}$

The Secretary of FSSA or his designee will, in the exercise of his sole discretion, determine which proposal(s) offer the best means of servicing the interests of the State. The exercise of this discretion will be final.